

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO
RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO,
et al.,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**URGENT MOTION FOR LEAVE TO RESPOND TO THE REPLY MEMORANDUM IN
FURTHER SUPPORT OF OBJECTIONS OF ASSURED GUARANTY CORP.,
ASSURED GUARANTY MUNICIPAL CORP. AND NATIONAL PUBLIC FINANCE
GUARANTEE CORPORATION
TO THE MAGISTRATE JUDGE’S FEBRUARY 26, 2018 ORDER**

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

To the Honorable United States District Judge Laura Taylor Swain:

The Commonwealth of Puerto Rico (the “Commonwealth”), as a Title III Debtor, by and through the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as the Commonwealth’s representative pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”), and the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF,” and together with the Commonwealth and Oversight Board, “Respondents”), respectfully submit this *Urgent Motion for Leave to Respond to the Reply Memorandum in Further Support of Objections of Assured Guaranty Corp., Assured Guaranty Municipal Corp. and National Public Finance Guarantee Corporation to the Magistrate Judge’s February 26, 2018 Order* (the “Motion”) seeking entry of an order, substantially in the form attached hereto as **Exhibit A** permitting the Respondents to respond to the *Reply Memorandum in Further Support of Objections Of Assured Guaranty Corp., Assured Guaranty Municipal Corp. and National Public Finance Guarantee Corporation to the Magistrate Judge’s February 26, 2018 Order* [ECF No. 2835] (the “Objection Reply”).

I. BACKGROUND

1. On March 12, 2018 Assured Guaranty Corp., Assured Guaranty Municipal Corp. and National Public Finance Corporation (the “Objectors”) filed their *Objections of Assured Guaranty Corp., Assured Guaranty Municipal Corp. and National Public Finance Guarantee Corporation to the Magistrate Judge’s February 26, 2018 Order* [ECF No. 2707] (the “Objection”). Respondents filed their Response to the Objection on March 23, 2018 [ECF No. 2798] (the “Objection Response”).

2. On March 26, 2018, Respondents filed an Informative Motion submitting a certified translation of an order issued by the Court of First Instance in *Bhatia-Gautier v. Rosselló-Nevores*,

Civil No. SJ2017CV00271 (P.R. Super. Ct. Mar. 16, 2018) (“*Bhatia I*”) and notifying the Court that Objectors intended to seek leave to file a reply memorandum. [ECF No. 2815].

3. On March 28, 2018, this Court issued the *Order Scheduling Reply Brief to Docket Entry No. 2798* granting Objectors leave to submit a 5 page reply by Monday, April 2, 2018. [ECF No. 2819].

4. The Objectors filed the Objection Reply on April 2, 2018. [ECF No. 2835].

II. RELIEF REQUESTED

5. Respondents respectfully request that they be granted leave to submit a brief response to the Objection Reply.

6. Rather than responding to the arguments in the Objection Response, the Objection Reply offers new arguments in support of the Objection, based on the decision in *Bhatia II*, to which Respondents have not had an opportunity to respond.

7. Respondents respectfully submit that this Court should not overturn Judge Dein’s order based on the Objectors’ characterization of a decision of a Commonwealth court without first allowing the Commonwealth’s representatives to respond.

8. Counsel for Respondents have conferred with Counsel for Objectors, who advised that Objectors do not oppose this Motion.

III. RELIEF REQUESTED

9. Respondents therefore request an Order granting Respondents leave to file a brief response, not to exceed five (5) pages, to the Objection Reply by **5:00 p.m. (Atlantic Standard Time) on April 9, 2018.**

Dated: April 4, 2018
San Juan, Puerto Rico

/s/ Gregg M. Mashberg

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Respectfully submitted,

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CERTIFICATION

In accordance with Sections I.H and III.F of the Fourth Amended Notice, Case Management and Administrative Procedures (Case No. 17 BK 3283-LTS, ECF Doc. No. 2839-1), Local Bankruptcy Rule 9013-1(a)(1), and Standing Orders entered by the Court on September 15, 2017, the undersigned hereby certifies that counsel has carefully examined the matter and concluded that there is a true need for this motion; have not created the urgency through any lack of due diligence; have made a bona fide effort to resolve the matter without a hearing; have made reasonable, good-faith communications in an effort to resolve or narrow the issues that are being brought before the Court; and have conferred with counsel for the Objectors, and no party opposes the relief requested herein..

Dated: April 4, 2018

/s/ Peter Friedman
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Exhibit A
Proposed Order

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO
RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO,
et al.,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

ORDER GRANTING LEAVE TO RESPOND TO DOCKET ENTRY 2835

Upon consideration of the *Urgent Motion for Leave to Respond to the Reply Memorandum in Further Support of Objections of Assured Guaranty Corp., Assured Guaranty Municipal Corp. and National Public Finance Guarantee Corporation to the Magistrate Judge’s February 26, 2018 Order* (the “Motion”),² the Court has concluded that the factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is **HEREBY ORDERED THAT:**

1. The Motion is granted as set forth herein.

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² Capitalized terms used but not otherwise defined herein have the meanings given to them in the Motion.

2. The Respondents may file a response, not to exceed five (5) pages, to the *Reply Memorandum in Further Support of Objections of Assured Guaranty Corp., Assured Guaranty Municipal Corp. and National Public Finance Guarantee Corporation to the Magistrate Judge's February 26, 2018 Order* (the "Objection Reply") by **5:00 p.m. (Atlantic Standard Time) on April 9, 2018.**

Dated: _____, 2018

HONORABLE LAURA TAYLOR SWAIN
UNITED STATES DISTRICT JUDGE